



LANDMARK RULING FROM SUPREME COURT LETS STATES LEGALIZE SPORTS GAMBLING

In May, the Supreme Court struck down a federal law that effectively banned commercial sports gambling in most states. The Professional and Amateur Sports Protection Act (PASPA) had largely outlawed sports betting outside Nevada. The ruling means that Americans may be free to bet on sports—legally—in states that choose to participate. It’s estimated that Americans make \$150 billion in illegal wagers on professional and amateur sports each year.

The court deemed the legalization of sports gambling to be an issue that should be addressed by individual states. “The legalization of sports gambling requires an important policy choice, but the choice is

not ours to make,” wrote Justice Samuel Alito in the 6-3 opinion. “Congress can regulate sports gambling directly, but if it elects not to do so, each state is free to act on its own.”

According to Marlene Warner, president of the National Council on Problem Gambling’s (NCPG) board of directors, the ruling is the largest potential expansion of gambling in the nation’s history now that an additional 49 states have the opportunity to legalize sports betting. NCPG believes the expansion of legalized sports gambling in the U.S. will likely increase gambling participation and the number of people who develop gambling problems unless

steps are taken to minimize harm.

While the ruling is expected to set off a frenzy among many states that want to jump on the sports gambling band wagon, the NCPG urges responsibility. “Everyone who profits from sports betting bears responsibility for gambling problems,” says Keith Whyte, executive director at NCPG. “The only ethical and economical way to maximize benefits from sports betting is to minimize problem gambling harm. Therefore, any governmental body and sports league that receives a direct percentage or portion of sports betting revenue must also dedicate funds to prevent and treat gambling problems.”



WHAT DOES THE COURT RULING MEAN FOR MINNESOTA?

The impact of the Supreme Court’s landmark decision on Minnesota, as with many other states, remains to be seen. There is considerable uncertainty about what will happen, and when. We talked to a number of state gambling experts about their thoughts on possible sports gambling developments in Minnesota. We’ve recapped them below in a Q&A format.

Q: Will Minnesota seek to legalize sports gambling?

A: There are some legislators who are interested in introducing legislation to permit sports betting in the state. However, there are a number of important policy questions yet to be resolved. For example, will betting be limited to professional sports or will college

athletics also be included? How about high school and little league? Determining what constitutes “sports” is another issue. Is NASCAR a sport? What about betting on individual players or betting on certain plays? Also, would sports betting be available through internet-based operations or brick and mortar locations only? These are all questions that need to be vetted or discussed.

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Cathie Perrault
Executive Director
NPGA

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FROM THE EXECUTIVE DIRECTOR

Passing the Baton

After nine years as Northstar’s executive director, I will be stepping down this summer. I’d like to take this opportunity to reflect on my time here and express my appreciation for those who work to reduce the pain and destruction caused by problem gambling.

First, I’d like to thank the board of directors, all of whom volunteer their time and expertise to guide Northstar forward. They have helped me steer the ship through some rough waters, but always making sure we kept our focus on true north. In particular, Don Feeney and Mary Magnuson were often my “first call for help.” Al Lund, Northstar treasurer, was always so patient with my less-than-perfect accounting skills. I’d also like to thank Mike Schiks, a longtime mentor who alerted me to this opportunity in 2009. Countless others, too many to mention, have also provided valuable assistance along the way.

The staff and team members who I’ve worked with daily—Linda Bisdorf, John VonEschen, Bill Stein and Vicki Stark—have made the biggest difference. They take ideas and turn them into reality, whether that’s hosting a training conference, traveling the state to talk to communities about problem gambling, producing educational materials and communications content, or simply keeping the office supplies stocked. I particularly appreciate the efforts of Linda, our “unsung hero” who has been with me almost from the beginning. Her responsibilities are so tremendous that I’ve often said she would be much more difficult to replace than myself. Indeed, my successor will be fortunate to find a willing and dedicated team at the ready.

It’s important to remember that Northstar is truly an alliance, a far-reaching network of people and organizations who recognize the challenges of various addictions in general, with a special focus on gambling. Without the members, donors, partners and individuals who participate in some form or another, we would not be able to make the impact we do.

Much of my career has been spent in addiction and mental health. I understand the frustration of families, the pain of addicts and the desire of professionals to help them. To all of you, please keep on making the world a better place. I hope that my contributions will propel the continuation of this important work.

Northstar Problem Gambling Alliance is a nonprofit agency whose mission is to help those affected by problem gambling in Minnesota. We do this by promoting awareness and understanding of the issue via our website, newsletter, community education programs, sponsorship of the Minnesota State Conference on Problem Gambling, and training of professionals in preventing and treating problem gambling.

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WHAT IS "BOX BREAKING?"



Whether officially considered gambling or not, there are a number of recreational activities that can produce addictive behavior. We wrote about some of these activities in the Winter/Spring 2017 issue of *Northern Light*.

One activity, in particular, that seems to be increasing in popularity is the practice of box breaking, also known as card breaking. However, unlike other gambling or gambling-like activities, box breaking is not well understood by the general public or even among treatment professionals.

"I first came across this type of addiction in a client last year," says John VonEschen, Northstar program manager and certified gambling counselor. "It's not one that you see every day, but it clearly has the potential to devastate someone's finances and produce behavior we would recognize as a gambling addiction."

How it Works

A box break is an event in which a box or

case of cards is divided up among collectors who purchase the right to receive cards as part of a random drawing. It's similar to a raffle except that each participant is guaranteed to receive a certain number of cards.

These events are typically streamed live (or replayed on YouTube later) so participants can enjoy the excitement of seeing cards get "pulled" as the box is broken. The events are promoted as providing an opportunity for baseball card and sports memorabilia fanatics to obtain valuable cards at an affordable price.

"The live streaming of these events adds to the high that a participant can receive," says John. "It's not unlike the exhilaration that casino players can get when they're at a casino."

There are several versions of box breaking. One of the more common games involves a random drawing in which a randomizer is used to determine draft order. After all cards

have been pulled from a box, the top person gets first dibs at picking a card. The second person picks from the remainder of the box. The process continues until all cards have been pulled.

Although box breaks have gained popularity in recent years, they have been around since the mid 2000s. The exact definition of a box break varies from one breaker to another as every breaker has his or her own way of "breaking."

While box breaking has the potential to create and feed a gambling addiction, it's not clear whether the activity is officially considered to be gambling. Most state gambling statutes consider whether a game has: 1) a prize, 2) an element of chance in determining the winner, and 3) consideration (a payment or activity to participate). It can be argued that all three elements are present in at least some box breaks.

A WOMAN'S PLEA FOR BOX-BREAKING HUSBAND

The following personal account was found on an online message board. It illustrates how "box breaking" is not commonly understood and how it can manifest in addictive behavior.

My husband Joe and I are not flush with money. We pay our stuff, but we have two kids in daycare, and have car and student loans. He pays the bills, and will say things like, "Hey, we're kind of tight until the fifteenth," meaning hold the spending on non-necessities.

Joe has a massive sports memorabilia collection. Cards, autographed stuff, etc. It's a hobby that I don't understand but it's a lifelong thing.

He's been "buying into" these card breaks on YouTube where guys open boxes of cards that we could otherwise never afford. Joe has a spot, I guess, and a

chance at winning a card if it's in his buy-in. I don't really understand the logistics but the short story is: he sends money and then watches these live breaks and has a chance of winning some "cool" cards. All of the buy-ins are like \$14, \$28, \$47. None are huge amounts by themselves.

In December, he spent \$200 on these breaks after he got some birthday money. In January, he spent \$689. He told me finances were tight, so I checked the account and added it all up. I brought it up, calmly, and he got defensive. He didn't believe he'd spent that much (because \$14 here and \$27 there doesn't seem like much, but it adds up). We fought, he added them up himself, apologized, said he'd take a break, etc.

A few days later I found out he's also essentially maxed out our "for emergencies only" credit card (it has a \$1,000 limit) on this activity, too. I found that out by accident, again, not by him

coming clean.

He wants me to monitor all of our accounts (his PayPal, our credit cards, our bank account) daily. On one hand he says he's just going to stop completely, but last Friday he asked if he could buy into one for \$28 (and I said "yes," which maybe was a mistake).

I can monitor the accounts daily. But I'm annoyed because I have four kids and a full-time job and don't need one more thing to do.

Also, he can't really sell this stuff. It's not as "valuable" as he thinks it is. He did sell one card for \$125 after I confronted him, but nothing else he has is worth more than a few bucks. They're baseball cards for crying out loud.

Note: If you're concerned about someone's gambling or spending behavior with a gambling-related activity, you may contact Gam-Anon (1-888-435-7166).

BEHIND THE NUMBERS

90

Percent of male student athletes who placed their first sports bet before college*

50

Percent of male student athletes who think they can consistently make a lot of money betting sports*

4

Percent of male student athletes who reported their biggest one-day loss was at least \$500*

2

Percent of male student athletes who met criteria for problem gambling*

800-333-HOPE

The phone number for the Minnesota Problem Gambling Helpline, available 24 hours a day, seven days a week.

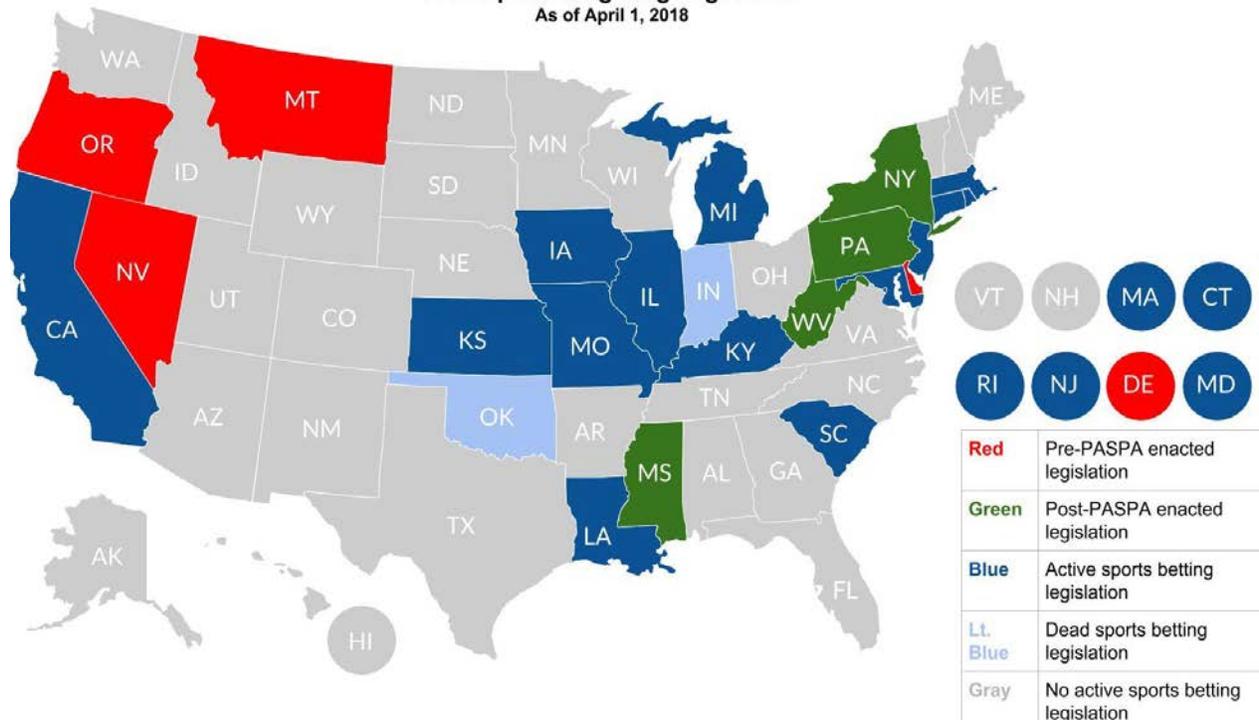
*Source: National Council on Problem Gambling

Sports Gambling in Massachusetts 2015

A survey of gambling activity in Massachusetts, conducted by the University of Massachusetts School of Public Health and Health Sciences, reflects that sports gambling was the third most popular gambling activity in 2015.

| | |
|------------------------|------------|
| Any Gambling | 72% |
| Lottery | 60% |
| Casino | 22% |
| SPORTS GAMBLING | 13% |
| Racing | 3% |
| Bingo | 3% |
| Online | 2% |

2018 Sports Wagering Legislation
As of April 1, 2018





WHAT DOES THE COURT RULING MEAN FOR MINNESOTA?

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Q: If sports betting becomes legal in Minnesota, will this be done through the tribes or the state?

A: It's likely that at least some tribes will be interested in sports betting if it is permitted in the state. It's not at all clear if the state will be a participant (i.e., through the lottery) or if the state will license operators of sports betting. These are some of the additional serious policy discussions that will have to occur.

Q: What has to happen at the state level (whether through the tribes or the state) for sports gambling to become active and how quickly could this happen?

A: At the present time, betting on sports events is illegal in Minnesota with the exception of "private social bets," which are not organized, commercialized or systematic. This means the occasional office pool is not illegal. However, any form of commercial sports betting will require legislation. An additional question relates to the state's constitution. The Minnesota constitution prohibits the legislature from authorizing a lottery or the sale of lottery tickets, except a lottery and the sale of lottery tickets by

the state. The Minnesota Supreme Court has never interpreted what forms of gambling constitute a "lottery" within the meaning and intent of the constitution. Some courts equate "lottery" with "gambling," while others find a lottery to be a specific form of gambling. While most would probably argue that sports betting involves some "skill" and is therefore not a lottery, it remains to be seen if the issue presents itself to the court for interpretation.

As for the tribes, sports betting is considered Class III gaming. This means that a tribe may conduct it if it is legal in the state, and the state and the tribe negotiate and enter into a tribal-state compact that governs the operation of the sports betting. Before a tribe could engage in sports betting, it would have to make a request of the state and the state would have to agree to a compact.

Q: What are the biggest obstacles in Minnesota that would make it difficult to initiate sports gambling?

A: The biggest obstacle will be settling on a sports betting scheme (and law) that is satisfactory to the many factions who have an interest. Some parties will want

to limit any sports betting to brick-and-mortar facilities while outstate companies will come in and advocate for internet-based gaming. The major league sports teams will want involvement—either monetary or limitations (such as requiring use of official league data, the ability to prevent players from wagering on their own events and the ability to restrict certain types of wagers)—and the state will want revenue in the form of fees and taxes. Satisfying everyone will be difficult, at best.

Q: What is the perspective on potential sports gambling from Minnesota's charitable gambling sector?

A: Allied Charities of Minnesota, which represents non-profit organizations holding gaming licenses, considers sports betting to be "real betting," fundamentally different than social gambling, and encourages appropriate regulation. Its concern is that the state not provide tax advantages to out-of-state, for-profit companies at the expense of supporting local charitable gaming that functions as a safety net for struggling communities and families in Minnesota.

WHAT ABOUT THE FAMILY?

The families and “affected others” of problem gamblers are all too often forgotten in the stress and chaos that’s created by someone with a gambling addiction. Yet, in many ways, the need for help among those in the midst of a problem gambler is just as great as for the gamblers themselves. Friends and families are impacted in various ways, including financial, emotional, social and physical. Fortunately, however, there are options available to help ease these impacts.

Impacts on the Family

FINANCIAL. The first and most obvious way that family members suffer is from the drain of financial resources. It’s not uncommon for a family member to learn that vacation or other recreational plans are put off because there’s no money. Worse yet, financial devastation is often something that’s discovered suddenly and without warning. “By the time a family realizes there is a financial problem, there may not be money for food or rent,” says Sheryl Anderson, program director at Project Turnabout. “The level of shock is dramatic and that makes people even angrier,” says Sheryl.

This is in contrast to other types of addictions where families can observe someone’s physical suffering. “Those families don’t feel that the rug was pulled out from under them as much and therefore they tend to be more compassionate,” says Sheryl.

ISOLATION. Gambling addiction has not yet reached the point where it’s accepted and generally understood like other addictions. The remaining stigma means that those who suffer from another’s gambling addiction are less apt to search out—and find—a place to share their concerns.

SHAME. To the extent that a family member or friend has helped provide money that enabled a gambler to continue gambling (perhaps under the guise of other needs) or otherwise helped to justify their situation to others, there may be shame in acknowledging the role they have played.

This can keep such an affected other from seeking help.

HEALTH. While the impacts listed above are more commonly known, there’s less awareness about the fact that spouses and family members of gamblers have higher rates of poor health. They experience more symptoms of stress, depression and anxiety, including disorders such as difficulty sleeping, ulcers, irritable bowel, eating disorders, headaches, muscle aches and pains. Not surprisingly, their relationship with the gambler becomes strained, and they may become abusive.

Members of families in which there’s a gambling addiction are more likely than other “addiction” families to commit suicide. Children are more at risk for developing problems in school because they may think they’re a source of the problem since the gambling addiction is not openly discussed in the family.

What Family Members Can Do to Cope

While family members may learn about the resources available to gamblers, they are typically less aware of the support available to them. This may be partly because they don’t know about them, partly because they are too embarrassed to ask, and partly because they are so occupied picking up the pieces from the damage that has occurred. Yet, there are a number of things that family members can do to help themselves.

BECOME EDUCATED. The most important thing a friend or family member can do is to become educated about gambling addiction. This will help them understand the behavior they are observing in the gambler and to begin to understand how the disorder progresses, including the possibility for relapse. They can also learn about their role in the treatment process. Affected others seeking to learn more about gambling addiction can contact Gam-Anon or Project Turnabout.

FAMILY COUNSELING. Family counseling can help in several ways. It provides a chance to understand the process of

problem gambling and to examine if the family member has played a role in enabling the behavior. It emphasizes setting healthy boundaries and, in the latter stages of a gambler’s treatment, helps address issues such as trust, forgiveness, the acquisition of new leisure skills and the changing roles. Family counseling has been shown to provide a positive impact on treatment retention (continuing care), decreased dropout rates during treatment, and better long-term outcomes.

INSTITUTE FINANCIAL CONTROLS.

At a practical level, controlling the flow of money is key to stopping someone from gambling. One way to accomplish this is to have a neutral third party control spending. The goal is not so much control, though that’s a part of it, but also to demonstrate a desire to be transparent and to build a trusting relationship that emphasizes partnership. “Essentially, the family member becomes a bookkeeper of the business,” says Sheryl. “So, for example, if a gambler is given a certain amount of money for meals, they should be asked to provide receipts, much like a company expense report.”

A family member can also require dual signatures on checks to ensure that disbursements are for expenses unrelated to gambling. Special reloadable cards, such as those designed for the purchases of gas, for example, can be provided to ensure that spending is for designated items only.

SELF CARE. The most important thing that a gambling addict’s affected other can do is to ensure they’re caring for themselves. “They should implement self-care practices such as walking, relaxing and meditating,” says Sheryl. “They deserve this even if they don’t feel they have the time.”

“In reality, family members are sometimes more ready to get help than the gambler,” says Sheryl. “And while they may think there are no affordable resources available because health insurance may have lapsed, they should know that support can be obtained even without insurance.”

IN THEIR OWN *Words*



The effects of someone's problem gambling can extend well beyond just the gambler. They can affect a partner, child, parent or friend.

Although Dianne is not a big football fan, she'll never forget the Monday night football game between the Minnesota Vikings and Dallas Cowboys on January 3, 1983. It was the first major bet her husband, Don, placed on a football game. He bet a whopping \$1,500 – an amount to cover accumulated gambling losses to date – and lost.

More than 25 years later, Dianne shudders at the memory of that night. She looks back on it as the beginning of a 14-year period in which her husband's gambling took the family on a roller coaster ride it never wanted.

Shortly after that Vikings game, Don's gambling losses began to mount, leading to another experience that haunted the family:

his young children watched in dismay as a stranger came into their house to remove a Betamax machine, the sales proceeds of which were used to settle gambling debts. In the first of many gambling-related lies to his children, Don explained that the machine was broken.

In time, Don's betting advanced from football to all other sports, and he soon had his own bookie. "I bet every day of the year except the Monday and Wednesday before and after the baseball all-star game, the only two days of the year when there was no sports betting," says Don.

After Don's bookie was the subject of a police raid, federal agents dressed in suits and badges came to the house. That development sent shock waves through the family. "That really scared the kids and I felt we couldn't have that," says Dianne. She subsequently packed up the kids and moved in hopes of finding a more stable home environment.

The sight of an empty house served as the first wakeup call for Don. He began attending Gambler's Anonymous in 1986

and convinced Dianne he was ready to quit. Only he really wasn't.

Shortly thereafter, Dianne came across a piece of paper with a list of football games while the couple was away at a cabin. "I was assured by Don that they were old games because he'd quit gambling." She later confirmed the list was for current football games.

As a result, Don became increasingly sneaky in his dealings. He cancelled handball games with friends and rearranged work shifts so he could find more time for gambling at the casino. Don learned to kite checks from three checking accounts he created, and found himself visiting a banker every day. "I could at least relax on the weekends when the banks were closed," recalls Don some 20 years later. He was working one job and half of another "to keep all the balls in the air."

Don forged his wife's signature a few times to take out loans to pay gambling debts. With a flexible work schedule, Don, who controlled the family's finances, arranged to be home when he knew the mailman would arrive, meeting him several houses in



IN THEIR OWN *Words*

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advance. “The joke was that I was having an affair with the mailman,” says Don.

The cycle of lies and deceit – as well as a general absence from the family – continued through 1994, about eight years after Don first attended GA. On Tuesday, December 27, 1994, he called in sick to work and cancelled a handball match with a friend so that he could stay at a casino. When Don, who called his wife every afternoon like clockwork, didn’t call at the usual time, Dianne suspected the worst. Late that afternoon, a call finally came. “Would you mind if I cashed another \$100 check,” Don asked? “Do whatever you want, stay as long as you want, I don’t care,” said his defeated wife of 16 years.

In truth, Don’s years of gambling and the problems it caused had taken a severe toll on Dianne. It contributed to a depression that left her suicidal and hospitalized. “I simply didn’t know how to cope with Don’s gambling,” says Dianne.

However, Dianne did make a pivotal decision that Tuesday night. She locked the bedroom door, so that when Don eventually came home in the wee hours

of the morning on Wednesday, there was no question that things were going to be different.

“I knew I’d hit rock bottom and had to stop gambling,” says Don. He went to GA that night and has been attending religiously ever since. That Tuesday night was the last time he’s ever gambled.

Today, Don is well into his recovery and is a thriving member of society. He considers himself fortunate in that GA has helped him, and helped him at an age where he can still repay his debts and hopefully accumulate something of a nest egg. Other gambling addicts require individual treatment and counseling to help in their recovery.

The road has been long and not without challenges. “It was particularly tough to quit at the beginning,” says Don. “Even several years into it, I remember seeing a list of football games and asking myself if the Packers would cover the spread, etc.” For her part, all these year’s later, Dianne’s stomach still turns when she sees her husband turn the channel from one football game to another, conditioned for so many

years to think he’s checking on games he bet on.

Forgiveness, after so many years of deception, is difficult to grant. In Don and Dianne’s case, a more complete healing didn’t occur until well after Don had quit gambling and the couple had engaged in Retrouvaille, a type of marriage counseling that’s similar to a 12-step program.

Thankfully, much of the damage caused by Don’s gambling has gradually healed. His daughter, who wouldn’t allow him to attend her high school graduation nor be part of her wedding, has reconciled with Don. “Our kids carried around a ton of hurt from what their father did,” says Dianne. “It seemed like every time we wanted to do something as a family, all of a sudden he was gone. For the kids, it was one broken promise after another.”

Today, 17 years into his recovery, Don’s promises are as good as gold.



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